

proceeding against, and conviction of, a person for the sale, purchase, or trade of a drug sample. A person who provides information leading to the institution of a criminal proceeding against, and conviction of, a person for the sale, purchase, or trade of a drug sample, or the offer to sell, purchase, or trade a drug sample, in violation of section 503(c)(1) of the act, is entitled to one-half the criminal fine imposed and collected for such violation, but not more than \$125,000.

(b) Procedure for making application for a reward for providing information leading to the institution of a criminal proceeding against, and conviction of, a person for the sale, purchase, or trade of a drug sample. A person who provides information leading to the institution of a criminal proceeding against, and conviction of, a person for the sale, purchase, or trade of a drug sample, or the offer to sell, purchase, or trade a drug sample, in violation of section 503(c)(1) of the act, may apply for a reward by making written application to:

(1) Director, Office of Compliance (HFD-300), Center for Drug Evaluation and Research, Food and Drug Administration, 7500 Standish Pl., Rockville, MD 20855; or

(2) Director, Office of Compliance and Biologics Quality (HFM-600), Center for Biologics Evaluation and Research, Food and Drug Administration, 1401 Rockville Pike, Rockville, MD 20852, as appropriate.

PART 205—GUIDELINES FOR STATE LICENSING OF WHOLESALE PRESCRIPTION DRUG DISTRIBUTORS

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AUTHORITY: 21 U.S.C. 351, 352, 353, 371, 374.

SOURCE: 55 FR 38023, Sept. 14, 1990, unless otherwise noted.

§ 205.1 Scope.

This part applies to any person, partnership, corporation, or business firm in a State engaging in the wholesale distribution of human prescription drugs in interstate commerce.

§ 205.2 Purpose.

The purpose of this part is to implement the Prescription Drug Marketing Act of 1987 by providing minimum standards, terms, and conditions for the licensing by State licensing authorities of persons who engage in wholesale distributions in interstate commerce of prescription drugs.

§ 205.3 Definitions.

(a) *Blood* means whole blood collected from a single donor and processed either for transfusion or further manufacturing.

(b) *Blood component* means that part of blood separated by physical or mechanical means.

(c) *Drug sample* means a unit of a prescription drug that is not intended to be sold and is intended to promote the sale of the drug.

(d) *Manufacturer* means anyone who is engaged in manufacturing, preparing, propagating, compounding, processing, packaging, repackaging, or labeling of a prescription drug.

(e) *Prescription drug* means any human drug required by Federal law or regulation to be dispensed only by a prescription, including finished dosage forms and active ingredients subject to section 503(b) of the Federal Food, Drug, and Cosmetic Act.

(f) *Wholesale distribution and wholesale distribution* means distribution of prescription drugs to persons other than a consumer or patient, but does not include:

(1) Intracompany sales;

(2) The purchase or other acquisition by a hospital or other health care entity that is a member of a group purchasing organization of a drug for its own use from the group purchasing organization or from other hospitals or health care entities that are members of such organizations;